

AGREEMENT
BETWEEN
ACCURIDE ERIE
AND
INTERNATIONAL UNION, UNITED AUTOMOBILE,
AEROSPACE AND AGRICULTURAL IMPLEMENT
WORKERS OF AMERICA, LOCAL NO. 1186

September 1, 2003 through August 31, 2007

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AGREEMENT

This Agreement is between Accuride Erie ("Company"), and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, Local No. 1186 ("Union").

ARTICLE 1 PURPOSE AND SCOPE

1.1 Coverage

It is the intent and purpose of the parties to set forth herein certain agreements pertaining to wages, hours and working conditions to be observed between the parties, and to provide procedures for the prompt and equitable adjustment of grievances.

1.2 Recognition

The Company recognizes the Union as the exclusive collective bargaining representative for the production employees, maintenance employees, laboratory testers, and storeroom clerks at the Company's Erie Plant, excluding all other employees, including office clerical employees, guards, professional employees, and supervisors as defined by the National Labor Relations Act.

1.3 Direction of the Workforce

Except as may be limited by the provisions of this Agreement, the operation of the Plant and the direction of the work force, including the right to hire, lay off, suspend, dismiss, and discharge any employee for just cause, to establish new jobs or change existing jobs, increase or decrease the number of jobs, to determine the type, location, and nature of the work to be performed within the plant, and to establish, adjust, or change production methods, materials, processes, products, equipment, and operations are exclusively vested with the Company.

1.4 Legal Rights

Nothing in this Agreement is intended to violate the rights of employees, the Company, or the Union under federal or state laws. If any provision of this Agreement is found to violate federal or state law, that finding will not invalidate other unrelated provisions of this Agreement.

ARTICLE 2 UNION SECURITY

2.1 On the 91st calendar day after the effective date of this Agreement, current employees shall become and remain either (i) members of the Union in good standing, or (ii) agency fee payors, for the duration of this Agreement. Upon completion of their probation period, new employees shall become and remain either (i) members of the Union in good standing, or (ii) agency fee payors, for the duration of this Agreement. An employee will be a member in good standing provided he has paid the Union his initiation fee and periodic dues. The initiation fees and membership dues or the agency fees may be paid by the employee in person or by means of an authorized payroll deduction.

2.2 The Union agrees that it will not, nor will it permit, its members to engage in solicitation of employees for payment of dues or fees on Company time, unless such solicitation has been previously approved by the Company.

ARTICLE 3 CHECK-OFF

3.1 Procedure

For each employee from whom a written authorization has been received, the Company will deduct from the employee's pay for the first complete pay period of each month the dues or fees for that month. The Company will also deduct the initiation fee of Union members in the month after the month in which the Union requests the Company to deduct the initiation fee. The Company will deduct monthly dues in an amount equal to two times the pay rate for the employee's regular classification. Amounts deducted by the Company shall be remitted as promptly as possible to the Financial Secretary of the Union, together with a list of employees from whom deductions have been made and the amounts deducted.

3.2 If an employee does not work during the payroll period for which dues are deducted, no deduction will be made for that month. A deduction will be made in the following month if the employee worked at least 40 hours during the previous month.

3.3 The monthly dues for a Union member who is on layoff will be one hour of pay at the pay rate for the employee's regular classification. The Supplemental Unemployment Benefit Fund Trustees or their Designee will deduct dues from a laid off employee's Supplemental Unemployment Benefits. Any refund of overpaid dues or fees shall be the sole responsibility of the Union.

3.4 Indemnification

The Union hereby indemnifies the Company and holds it harmless against any and all claims of liability which may arise out of action taken or not taken by the Company in compliance with check-off authorization cards or certified lists of Union membership furnished by or through the Union to the Company.

ARTICLE 4 PROHIBITION OF DISCRIMINATION

Neither the Company nor the Union will discriminate against an employee because of the employee's race, color, religion, sex, national origin, age, disability, or membership or nonmembership in the Union. Neither the Company nor the Union will discriminate against an employee because he does or does not hold an office in the Union, or because he engages in or refrains from engaging in proper and legitimate Union activities. References to one gender in this Agreement include individuals of both genders.

ARTICLE 5 ADJUSTMENT OF GRIEVANCES

5.1 A grievance is a claim that a term or condition of employment set forth in this Agreement has been violated.

5.2 Step 1. Before a grievance is submitted, an employee must first discuss the matter with his immediate supervisor and attempt to resolve it. If the matter is not resolved by that

discussion, a grievance may be submitted. The grievance must be submitted to the aggrieved employee's immediate supervisor within 14 calendar days of the occurrence giving rise to the grievance. The grievance shall be written and dated, and it shall be signed by the aggrieved employee or employees. The grievance shall set forth the date of the occurrence, the facts upon which the grievance is based, the article or articles of this Agreement which were allegedly violated, and the remedy which is sought. A steward may assist employees in the presentation of a Step 1 grievance. The supervisor will respond in writing within seven calendar days of the receipt of the grievance. If the grievance is not resolved in Step 1, it may be appealed to Step 2.

5.3 Step 2. The Step 2 appeal must be written and it must be submitted to the immediate supervisor of the employee's supervisor, or his designee, within seven calendar days of the receipt of the supervisor's response. A steward may assist employees in the presentation of a Step 2 appeal. The supervisor's supervisor will respond in writing within seven calendar days of the receipt of the Step 2 appeal. If the grievance is not resolved in Step 2, it may be appealed to Step 3.

5.4 Step 3. The Step 3 appeal must be written and it must be submitted to the Human Resources Manager or his designee within seven calendar days of the receipt of the response of the supervisor's supervisor. The Human Resources Manager or his designee will schedule and hold a meeting to review the Step 3 appeal within 14 calendar days after the receipt of the appeal. The Union committee may attend the Step 3 meeting. The Union's International Representative may attend the Step 3 meeting. Either party may arrange to have other individuals who are familiar with the facts attend the Step 3 meeting to aid in the resolution of the grievance. The Human Resources Manager or his designee will respond in writing within 14 calendar days of the Step 3 meeting. If the grievance is not resolved in Step 3, the Union may appeal the grievance to arbitration.

5.5 An appeal to arbitration must be written and it must be submitted to the Human Resources Manager within 14 calendar days of the receipt of the response to the Step 3 appeal. Within 14 calendar days of the submission of an appeal to arbitration, the parties shall meet and attempt to agree upon the selection of one of the following arbitrators. If they are unable to agree upon an arbitrator, the parties will, by alternately striking names, select an arbitrator from among the following arbitrators:

If an arbitrator on this list becomes unavailable, the parties will select a replacement arbitrator.

(Until the parties have established this list of arbitrators, the parties will select arbitrators by requesting a panel of seven arbitrators from the Federal Mediation and Conciliation Service and selecting an arbitrator from that panel. If the parties are unable to select an arbitrator from that panel, they will request a second panel of seven arbitrators and select an arbitrator from that second panel.)

5.6 An arbitrator shall not add to, subtract from, or modify the terms of this Agreement. The decision of the arbitrator shall be final. The parties will share equally the fees and costs of the arbitrator and the cost of the facility where the arbitration is held. If one party cancels an arbitration and a fee is charged, that party will pay the fee.

5.7 Grievances concerning discharges and grievances involving all employees may be submitted at Step 3 within seven calendar days of the occurrence giving rise to the grievance.

5.8 The time limits in this Article, other than the time for submitting a Step 1 grievance, may be extended by a written, signed agreement. The first day of a time limit will begin with the day after the event that triggers the time limit.

ARTICLE 6 UNION REPRESENTATION

6.1 Union Committee

Employees shall be represented by a Union committee consisting of five employees. The Local Union President will be one of the five employees, and he shall serve as Chairman of the committee. The Chairman and the Committeemen shall be assigned to various areas within the plant. The Recording Secretary may be present at arbitration hearings and at special meetings between the Company and the Union. The Company will make the Recording Secretary whole for wages necessarily lost while attending arbitration hearings and the special meetings. The Company will make the Union committee whole for wages necessarily lost while attending Step 3 grievance meetings. The Local Union President may participate in contract negotiations. The Company will make the Local Union President whole for wages necessarily lost while attending contract negotiations. When the Company is provided 24 hours' advance written notice and a general description of the business to be conducted, the Company will permit the Union's Executive Officers (*i.e.*, President, Vice President, Recording Secretary, Financial Secretary, Sergeant of Arms, Guide, and three Trustees) or Committeemen to engage in Local 1186 business outside of the plant during working hours, provided that the time spent is reasonable. When it is impossible to provide 24 hours' advance notice, the Union will provide the Company with as much advance notice as possible of the need for the Union's Executive Officers or Committeemen to engage in Local 1186 business outside of the plant during working hours. The Union will minimize the impact of these absences on plant operations by limiting the number of employees who are absent and the number of days of absence to the minimum required to perform Union business and, where feasible, by scheduling or rescheduling the absences to days on which the operations can best accommodate the absences. The Company will make an office, telephone, and computer available for use by the Union.

6.2 Stewards

- (a) One employee in each area shall be designated by the Union to be the Steward for employees of that building and/or area. Each Steward shall report to the proper area Committeeman and will be permitted to confer with him during working hours with respect to legitimate Union business, upon notification to and with the approval of the supervisors of both employees. Additional Stewards may be appointed when necessary upon agreement between the Company and the Union.

- (b) The Union will designate a Chief Steward on each shift who will act with the authority of a Shop Committeeman in the Committeeman's absence.

6.3 Partial Operation

In operations, when five or more employees are working in a building or area, one of those employees shall be the designated Steward. If ten or more employees are working in an area, one of those employees shall be the designated Steward and one shall be the designated Committeeman. The Company will be kept advised by the Union of the names of those so designated. The Union representative must, of course, have the ability to perform one of the jobs being worked. The Company is not required to have more employees work than it determines are necessary to perform the task.

6.4 The Union will inform the Company in writing of the names, positions, and terms of office of all officers, committeemen, stewards, and other representatives of the Union. The written notice will indicate which classifications each steward represents. The Union will promptly provide the Company with written notice of any changes in this information.

**ARTICLE 7
DISCIPLINARY ACTION AND DISCHARGE**

7.1 The right of the Company to establish regulations for the orderly control of plant operations and to discipline or discharge employees for just cause is recognized. For the Company to effectively do so, the establishment of the plant rules of conduct, safety rules and regulations, and absenteeism control procedures are necessary. Such rules and regulations shall not be in violation of any provisions of this Agreement.

7.2 Discharge Procedure

No employee shall be peremptorily discharged, but shall first be suspended pending investigation. If the Company makes a preliminary determination that the employee should be discharged, and if the employee requests a hearing to review the facts, the Company will schedule a hearing for that purpose. A Union representative will be present at the hearing, unless the employee requests that no Union representative be present. The Company will make a final determination following the hearing. The Company will make its final determination within 14 calendar days of the date the employee was suspended. The Company and the Union may agree to extend this time by an additional seven calendar days. A grievance concerning a discharge may be submitted at Step 3 of the grievance procedure within seven calendar days of the date of the discharge. If the Company determines that no discipline is warranted, the employee will be reinstated with back pay.

**ARTICLE 8
SENIORITY**

8.1 Employees will have plant seniority. For employees hired before September 1, 1997, their plant seniority date will be the seniority date that has been established for them. For employees hired on and after September 1, 1997, their plant seniority date, following their successful completion of the probation period, will be their date of hire.

8.2 If two or more employees are hired on the same day, their relative seniority order will be determined alphabetically, with the employee whose name appears first alphabetically having the greater seniority.

8.3 An employee's seniority shall be canceled when the employee:

- (a) Quits
- (b) Is discharged for just cause
- (c) Is absent from work for five consecutive scheduled days of work without notice to the Company
- (d) Is absent for three years due to injury or illness for which he is not receiving workers' compensation and is still unable to work at the conclusion of that three-year period
- (e) Is laid off for three years
- (f) Fails to report to work within seven calendar days from the date he was called about recall or sent a notice of recall, unless he contacted the Company during the seven-day period and, for reasonable cause, was granted an extension of time to report
- (g) Retires (however, the seniority of an employee who receives a disability pension shall be canceled when the employee is absent for three years and is still unable to work at the conclusion of that three-year period).

8.4 When a bargaining unit employee's seniority is canceled, his employment terminates.

ARTICLE 9 PROBATION EMPLOYEES

All new employees shall be on probation for the first 90 working days of their employment. Probation employees may be transferred, laid off, or terminated at the discretion of the Company. Upon successful completion of the probation period, an employee will obtain seniority as of his date of hire.

ARTICLE 10 SUMMER EMPLOYEES AND TEMPORARY EMPLOYEES

The Company may hire summer employees and temporary employees. The Company will not hire summer employees or temporary employees while bargaining unit employees are laid off, or where the hiring of such employees would result in the layoff of bargaining unit employees. Neither a summer employee nor a temporary employee will work more than 100 days during a calendar year. When a summer employee or temporary employee is hired as a bargaining unit employee, that employee will, upon successful completion of the probation period, obtain seniority as of his date of hire as a bargaining unit employee. Except for this Article 10, this Agreement will not apply to summer employees or temporary employees.

ARTICLE 11 FILLING REGULAR VACANCIES IN NON-SKILLED TRADES CLASSIFICATIONS

11.1 When the Company determines that a regular vacancy occurs in a non-skilled trades classification, that vacancy will be filled in the following manner:

- (a) The Company will first offer the vacancy to the senior employee who bid into the classification and is currently reduced or laid off from that classification.
- (b) If the vacancy is not filled pursuant to paragraph (a), the Company will then attempt to fill it with a bidder from the bid list.
- (c) If the vacancy is not filled pursuant to paragraphs (a) or (b), the Company will then post the vacancy for bidding.
- (d) If the vacancy is not filled pursuant to paragraphs (a), (b), or (c), then laid off employees, if any, will be recalled in seniority order to fill the vacancy; during the trial period, recalled employees must demonstrate their ability to perform the job.
- (e) If the vacancy is not filled pursuant to paragraphs (a), (b), (c), or (d), the Company may hire an employee to fill the vacancy.

11.2 The senior bidder from the bid list or from posted bids will be selected to fill a vacancy. During the trial period, the employee must demonstrate his ability to perform the job.

11.3 The following provisions apply to the bid list:

- (a) The bid list will list both the classifications and the shifts in those classifications on which there are employees.
- (b) Employees will bid for potential vacancies by signing and printing their names by the classifications and shifts for which they wish to be considered; employees will designate one of their bids as their "first choice" bid.
- (c) Employees can enter or change their bids only on Mondays, and the Company will not select bidders from the bid list on Mondays.
- (d) Employees who wish to be considered for a different shift within their classification will bid for that shift by signing the bid list for that shift and classification.

11.4 Vacancies that are posted for bidding will be posted for bidding in "Times Square" and two other locations. A notice of a vacancy will be posted for at least 36 hours on Friday and Monday, counting just the hours it is posted on Friday and Monday.

11.5 Employees in non-skilled trades classifications may bid on vacancies in non-skilled trades classifications and skilled trades classifications.

11.6 An employee may bid on more than one vacancy at a time. If an employee is the successful bidder for more than one vacancy at the same time, the employee will be awarded the job of his choice.

11.7 A successful bidder must accept or reject the job at the time the bidder is notified of his selection. The names of the successful bidders who accept the jobs will be posted. If the successful bidder declines the job, he cannot bid on another job for three months. Generally, successful bidders who accept the job cannot bid on another job for six months. However, once during the term of this Agreement, an employee may bid for his first choice job less than six months after he successfully bid on another job.

11.8 If a successful bidder is not placed in the new job by the second Monday following the date he accepted the job, and if the pay rate of the new job is higher than the pay rate of his current job, he will begin receiving the higher pay rate on that second Monday.

11.9 Successful bidders for vacancies in the Production Worker classification will have a trial period of 10 working days. Successful bidders for vacancies in the Spin & Heat Treat Technician, HP Operator, Quality Technician, Machine Line Operator, and Facilities Technician classifications will have a trial period of 30 working days. Successful bidders for vacancies in the Electrician, Instrument Technician, Millwright/Welder, and Machinist classifications will have a trial period of 90 working days. The Company and the Union may agree to extend an employee's trial period. When an employee demonstrates exceptional skill, ability, qualifications, and performance during the trial period, the Company may end the trial period early. When an employee plainly demonstrates that he is not able to successfully perform the job, the Company may end the trial period early.

11.10 When the Company determines during the trial period that an employee is not able to successfully perform the job, the Company will inform the employee and the appropriate Committeeman in writing of the reasons for that determination. A disqualified employee will return to his previous job. A disqualified employee may not bid again for the job from which he was disqualified for six months from the date he was disqualified. When an employee is disqualified, the vacancy will be awarded to the next bidder, if any, who would have been awarded the job. If there is none, the vacancy will be posted again.

ARTICLE 12

FILLING TEMPORARY VACANCIES IN NON-SKILLED TRADES CLASSIFICATIONS

12.1 When the Company determines that a temporary vacancy occurs in a non-skilled trades classification, that vacancy will be filled in the following manner:

- (a) The Company will first attempt to fill the temporary vacancy with an available Production Worker who has been designated as qualified for the job by the Company as part of its quality system process.
- (b) If the temporary vacancy is not filled pursuant to paragraph (a), the Company may fill the vacancy for up to 14 calendar days without using the bidding process. During this period, the Company may fill the vacancy with an available employee who has been designated as qualified for the job by the Company as part of its quality system process.
- (c) In filling vacancies pursuant to paragraphs (a) and (b), the Company will first attempt to offer the vacancies to available employees by seniority. If an insufficient number of employees accept the offer to fill the temporary vacancies, the Company will then attempt to assign employees to fill those vacancies in reverse seniority order.
- (d) If the temporary vacancy lasts more than 14 calendar days, the temporary vacancy will be filled using the bidding procedures of Article 11.

12.2 When an employee is temporarily assigned to work in a classification with a pay rate that is higher than the pay rate of his regular classification, he will be paid the higher rate.

When an employee is temporarily assigned to work in a classification with a pay rate that is lower than the pay rate of his regular classification, he will be paid his regular rate.

ARTICLE 13

REDUCTIONS-IN-FORCE IN NON-SKILLED TRADES CLASSIFICATIONS

13.1 The Local Union President, Vice President, and Committeemen shall head the plant seniority list for purposes of layoff and recall. They must, however, have the ability to perform the jobs to which they may be assigned.

13.2 Because superseniority infringes on the regular seniority of employees, in a reduction-in-force stewards will be granted the minimum superseniority necessary to enable them to remain working on their shift and within the classifications they represent. Thus, in a reduction in force, stewards will first attempt to remain on their shift within the classification they represent through the application of the normal reduction-in-force procedures. If a steward is unable to remain working on his shift within the classifications he represents through the normal reduction-in-force procedures, then he will be allowed to displace the least senior employee who works on his shift in a classification he is able to perform and which is among the classifications he represents.

13.3 The Company will identify the classifications and shifts that will be impacted by a reduction-in-force. Employees will be reduced classification by classification, beginning with the highest paid classification and moving in order of pay to the lowest paid classification. When employees are to be impacted by a reduction-in-force, they will first have the opportunity to displace junior employees on other shifts within their classification. The employees who are displaced from a classification will then have the opportunity to displace junior employees in equal or lower paid classifications. When displacing employees in equal or lower paid classifications, senior employees may displace junior employees from the shifts that the senior employees prefer.

13.4 When employees are reduced from a classification, they may displace junior employees in classifications for which they have been designated as qualified by the Company as part of its quality system process. In addition, employees hired on or before August 31, 2003 may displace an employee in a classification that was combined during 2003 negotiations if they previously held and were qualified to perform one of the component classifications of the combined classification. For example, an employee may displace a junior Quality Technician if he held and was qualified to perform either the previous Inspector classification or the Physical Tester classification.

13.5 Before being laid off, employees may displace junior employees in the Production Worker classification, even if they have not been designated as qualified for this classification by the Company as part of its quality system process. Employees who are placed in a classification under the preceding sentence must demonstrate the ability to perform the job during the trial period. Employees who are impacted by a reduction-in-force and who are not placed in a classification pursuant to the provisions of Articles 13.3 through 13.6 will be laid off.

13.6 When the Company reduces forces, it will post a tentative schedule for the reduced workforce. Senior employees may then request to be moved based on the provisions of this Article. Generally the tentative schedule will be posted by noon on Wednesday, employees will submit their requests to be moved by 7:00 a.m. on Thursday, a revised schedule will be

posted by noon on Thursday, and the revised schedule will go into effect on the following Monday.

13.7 In the event that an employee with ten or more years of seniority is laid off while less senior employees continue to work in non-skilled trades classifications, that employee may return to work and displace the junior employee in a non-skilled trades classification if he is still on layoff when his Supplemental Unemployment Benefits and state unemployment compensation benefits end.

13.8 In the case of layoffs, the senior employees in the classification affected by the layoffs will be given the opportunity to volunteer to be laid off. The Company may reject a senior employee's offer to take a voluntary layoff if laying off the senior employee would adversely affect the operation of the plant. A voluntary layoff will not last for more than 90 calendar days, unless the Company, the Union, and the employee agree to extend it for more than 90 days.

13.9 In the case of short-term partial reductions in force, employees may be reduced or laid off for up to 14 calendar days without using the procedures of Articles 13.3 through 13.6. The Company and the Union may agree that employees may be reduced or laid off for up to 45 calendar days without using the procedures of Articles 13.3 through 13.6.

13.10 Except in situations beyond the knowledge or control of the Company, three days' advance notice of layoffs, other than short-term layoffs, will be given to the Union and to employees expected to be laid off.

ARTICLE 14 RECALL TO NON-SKILLED TRADES CLASSIFICATIONS

14.1 Employees will be recalled pursuant to the provisions of Article 11.1.

14.2 Employees are responsible for ensuring that the Human Resources Department has their current telephone numbers and addresses. The Company will notify employees of their recall by telephone call, Federal Express or similar express delivery (with signature required for delivery), or by certified mail, return receipt requested. When employees are notified of recall by telephone, the Company will also send them a written notice confirming the recall by certified mail, return receipt requested. Employees must report to work within seven calendar days of the date they are called or sent a notice of recall, unless they contact the Human Resources Department during the seven-day period, request an extension, and, for reasonable cause, are granted an extension of time to report.

ARTICLE 15 SPECIAL LAYOFF PROCEDURE

An employee may request to be laid off. When the Company receives such a request, it will review its staffing situation to determine whether it has excess workforce capacity. If the Company determines that it does not have excess workforce capacity at that time, the request will be denied. If the Company determines that it does have excess workforce capacity, it will grant the request. If the laid off employee applies for unemployment compensation, the Company will not protest the employee's claim. Notwithstanding the provisions of Article 8.3, when an employee is laid off under the provisions of this Article, his seniority will be canceled and his employment will terminate (i) two weeks after he is laid off if

he does not apply for unemployment compensation, or (ii) at the time his unemployment compensation ceases if he applies for and receives unemployment compensation.

ARTICLE 16
SHIFT TRANSFERS AND TRADES

16.1 When it is necessary to transfer non-skilled employees between shifts for not more than 30 calendar days, senior employees in the affected classifications will first be offered the opportunity to transfer. If an insufficient number of senior employees transfer, the junior employees will be transferred.

16.2 When the supervisors of both employees and a Union representative approve, employees may trade shifts.

ARTICLE 17
SENIORITY OF EMPLOYEES WHO TRANSFER OUT OF THE UNIT

When an employee is transferred out of the bargaining unit, he will retain and accrue seniority for up to 90 working days. If he does not return to the bargaining unit within 90 working days, he will lose his seniority. If he returns to the bargaining unit within the 90 working days and there is a vacancy in a job for which he has been designated as qualified by the Company as part of its quality system process, he will fill that vacancy. If he returns to the bargaining unit within the 90 working days and there are vacancies in multiple jobs for which he has been designated as qualified, the Company will select the vacancy he is to fill. If he seeks to return to the bargaining unit within the 90 working days and there are no vacancies at that time, he may displace the least senior employee in a job for which he has been designated as qualified, provided he has more seniority than that employee. An employee who transfers out of the bargaining unit may only return to the bargaining unit once during the term of this Agreement.

ARTICLE 18
SKILLED TRADES

18.1 The provisions of Article 18 apply to skilled trades employees. The skilled trades classifications are Electrician, Instrument Technician, Millwright/Welder, and Machinist.

18.2 When the Company determines that a regular vacancy occurs in a skilled trades classification, that vacancy will be filled in the following manner:

- (a) The Company will first offer the vacancy to the senior employee who is currently reduced or laid off from that classification; a skilled trades employee who is offered the opportunity to fill a vacancy in his skilled trades classification must accept that offer.
- (b) If the vacancy is not filled pursuant to paragraph (a), the Company will post the vacancy for bidding. Notices of vacancies will be posted for bidding at "Times Square" and two other locations. A notice of a vacancy will be posted for at least 36 hours on Friday and Monday, counting just the hours it is posted on Friday and Monday. The bidder with the greatest plant seniority who satisfies one of the following criteria will be selected to fill the vacancy:

- (i) Possession of a recognized journeyman card or a certificate demonstrating that he has completed a military training course or other training course recognized by the Company to establish that the bidder is qualified to perform the job;
 - (ii) Successful completion of Company-administered tests; or
 - (iii) Satisfactory evidence of substantial experience demonstrating the bidder is qualified to perform the job.
- (c) If the vacancy is not filled pursuant to paragraphs (a) or (b), the Company may hire an employee to fill the vacancy.

18.3 Employees in both the skilled trades classifications and the non-skilled trades classifications may bid on vacancies in skilled trades classifications.

18.4 Employees will be reduced from their classification in reverse seniority order. Before being laid off, employees may displace the junior employee in the Production Worker classification. If he is unable to obtain a position under the preceding sentence, he will be laid off. An employee may only displace an employee who is junior to him. When an employee displaces a junior employee, he must demonstrate his ability to perform the job during the trial period.

18.5 In the case of layoffs, the senior employees in the classification affected by the layoffs will be given the opportunity to volunteer to be laid off. The Company may reject a senior employee's offer to take a voluntary layoff if laying off the senior employee would adversely affect the operation of the plant. A voluntary layoff will not last for more than 90 calendar days, unless the Company and the employee agree to extend it for more than 90 days.

18.6 In the case of short-term partial reductions-in-force, employees may be reduced or laid off for up to 14 calendar days without using the procedures of Articles 18.4 and 18.5. The Company and the Union may agree that employees may be reduced or laid off for up to 45 calendar days without using the procedures of Articles 18.4 and 18.5.

18.7 Employees will be recalled pursuant to the provisions of Article 18.2(a). Employees are responsible for ensuring that the Human Resources Department has their current telephone numbers and addresses. The Company will notify employees of their recall by telephone call, Federal Express or similar express delivery (with signature required for delivery), or by certified mail, return receipt requested. When employees are notified of recall by telephone, the Company will also send them a written notice confirming the recall by certified mail, return receipt requested. Employees must report to work within seven calendar days of the date they are called or sent a notice of recall, unless they contact the Human Resources Department during the seven-day period, request an extension, and, for reasonable cause, are granted an extension of time to report.

18.8 When it is necessary to transfer employees between shifts, senior employees in the affected classifications will first be offered the opportunity to transfer. If an insufficient number of senior employees transfer, the junior employees will be transferred.

18.9 The provisions of the other Articles of this Agreement that do not conflict with the provisions of this Article will apply to skilled trades employees.

ARTICLE 19 DISABLED EMPLOYEES

19.1 When an employee becomes permanently disabled, and as a result of that disability is unable to perform the work of his classification, he may displace a junior employee in a classification with equal or lower pay if he is capable of performing the work of that classification. If a disabled employee cannot obtain a job in a classification with equal or lower pay, he may displace a junior employee in a higher paid classification if he is capable of performing the work of that classification. A disabled employee, however, may not displace a junior employee in a skilled trades classification unless he is qualified to perform the work of that classification. The disabled employee will displace the junior employee in the classification.

19.2 Before a disabled employee displaces a junior employee in another classification, the fact that he is permanently disabled and therefore unable to perform the work of his classification must be confirmed by a Company-selected doctor.

19.3 When an employee is temporarily disabled and receiving workers' compensation or sickness and accident benefits, the Company will attempt to place the employee in a vacant job that the employee is qualified to perform. If an employee cannot be placed in such a job, the Company will attempt to place the employee in a productive modified or light-duty job. The placement of a temporarily disabled employee in a job other than his regular job will be done for the purpose of providing the employee with work hardening as he gets close to returning to his regular job. When an employee is temporarily placed in a job with a pay rate that is higher than the pay rate of his regular job, he will be paid the higher rate. When an employee is temporarily placed in a job with a pay rate that is lower than the pay rate of his regular job, he will be paid his regular rate.

19.4 When a disabled employee is to be placed in a classification other than his regular classification under this Article, the Company will inform the respective area committeeman of that placement.

19.5 When there is a dispute between the employee's doctor and a Company-selected doctor about whether or not an employee is medically able to perform his job, the decision of a third doctor will be sought to resolve the dispute. The third doctor will be a doctor who is not in practice with the first two doctors.

ARTICLE 20 HOURS OF WORK

20.1 The normal workday will be eight hours of work, exclusive of lunch periods. The normal workweek will be five consecutive workdays.

20.2 Employees will normally work either an eight-hour shift with a 20-minute paid lunch period, or an eight-and-one-half-hour shift with a 30-minute unpaid lunch period. The lunch period will be taken at approximately the middle of the shift at a time that does not interfere with the operations. Employees will have a 10-minute rest break sometime during the middle of the first half of the shift at a time that does not interfere with the operations, and they will have a second 10-minute rest break sometime during the middle of the second half of the shift at a time that does not interfere with the operations. The Company will schedule, assign, and staff work in a manner that promotes the productive and efficient operation of the Plant.

20.3 Employees must be at their work area at the start of the shift and must remain at their work area until the end of the shift. At shift change, the incoming and outgoing employees in continuous operations will meet at their work area and talk briefly about the status of their operations.

20.4 The Company will attempt in good faith to schedule operations in accordance with the normal workday and workweek. Should it be necessary, in the interest of efficient operations or due to business conditions, to establish schedules that depart from the normal workday and normal workweek, the Company will meet with the Union committee if the entire plant is involved, and the Company will meet with the appropriate Stewards and, if practical, the appropriate Committeemen if one or more departments are involved. The Company will discuss the facts concerning the modified schedule with Union representatives. The final right to arrange working schedules rests with the Company.

20.5 The Company will not indiscriminately change starting and quitting times. Before changing starting and quitting times, the Company will meet with the appropriate Stewards and, if practical, the appropriate Committeemen to discuss the schedule changes for the affected departments. Notice of changes in starting and quitting times will be posted no later than noon on the Thursday preceding the week in which the changes go into effect.

20.6 Notice of scheduled Saturday work will be posted no later than 7:00 a.m. on the preceding Thursday. Notice of scheduled Sunday work will be posted no later than 7:00 a.m. on the preceding Friday. Notice of scheduled work on a holiday will be posted no later than 7:00 a.m. two days before the holiday.

20.7 Nothing in this Agreement shall be construed as a guarantee of a number of hours of work per day or per week or of a number of days of work per week.

ARTICLE 21 OVERTIME PAY AND PREMIUM PAY

21.1 The payroll workweek is the seven-day period beginning at 10:30 p.m. on Sunday.

21.2 Employees will receive time and one-half for (i) hours worked in excess of eight within a 24-hour period, (ii) hours worked in excess of 40 within a payroll workweek, and (iii) hours worked on Sunday. Overtime pay will be one and one-half times the hourly rate for the classification in which the overtime hours are worked.

21.3 Paid vacation time, paid holidays, paid bereavement leave, and paid jury duty and witness leave will count as hours worked for the purpose of calculating overtime pay and sixth and seventh day premium pay.

21.4 An employee will receive time and one-half for hours worked on the employee's sixth consecutive day worked within the employee's workweek. An employee will receive double time for hours worked on the employee's seventh consecutive day worked within the employee's workweek. An employee will have satisfied the consecutive workday requirement if he has not missed more than four hours of work in the workweek in question. An employee who misses more than four hours of work during the workweek prior to the sixth day will still receive sixth and seventh day premium pay if he works more hours on the sixth and seventh days than he missed earlier in the workweek. The hours missed earlier in the workweek will first be made up on the sixth and seventh days before premium pay starts. For example, if an employee misses

five hours of work on Days 1 through 5 and works eight hours on the sixth day and eight hours on the seventh day, he will receive time and one-half for three hours worked on his sixth day and double time for the hours worked on his seventh day. If an employee was not offered the opportunity to work on the sixth day and he worked at least 32 hours on Days 1 through 5, he will receive double time for hours worked on the seventh day.

21.5 Overtime payments shall not be duplicated for the same hours worked under any provisions of this Agreement and, to the extent that hours are compensated at overtime rates under one provision, they shall not be counted as hours worked in determining overtime under the same or any other provision.

ARTICLE 22 OVERTIME DISTRIBUTION

22.1 In all overtime work situations, the primary consideration must be to promote the safe and efficient conduct of the operations by having qualified employees do the necessary work.

22.2 The Company will establish overtime groups. Overtime will be distributed among employees in an overtime group to the extent practical and consistent with the efficient conduct of the operations.

- (a) The following overtime distribution principles will apply to the distribution of overtime during Monday through Friday:
 - (i) Within the first four hours of their shift each Friday, employees must inform the Company of the days during the next calendar week on which they are interested in volunteering for overtime.
 - (ii) The Company will offer overtime work to qualified employees in an overtime group who have volunteered for overtime, on a rotating basis, beginning with the employee who has the most seniority and continuing through the group of employees in the order of descending seniority. Thus, when the need for overtime arises, the Company will offer the overtime to the employee who desires overtime and who is next in seniority after the last employee who was offered overtime on the previous overtime occasion, and then continue through the group as necessary.
 - (iii) If it is necessary to require an employee to work overtime, the Company will assign overtime to qualified employees in an overtime group in the reverse order of seniority. An employee will not be required to work overtime more than once during a two-week period, unless other qualified employees in the overtime group have been required to work overtime during that two-week period. An employee will not be required to work more than a total of 12 hours in a day.
- (b) The following overtime distribution principles will apply to the distribution of overtime on weekends:

- (i) Each weekend that overtime is required the Company will offer the overtime, in seniority order, to qualified employees in an overtime group who have volunteered.
- (ii) If insufficient employees volunteer, the Company will assign the overtime to qualified employees in an overtime group in reverse seniority order. An employee will not be assigned to work overtime more than three weekends in a row.

22.3 An employee who is required to work overtime may find another qualified employee to work in his place. When an employee uses this provision, he will make a reasonable effort to have the senior, qualified available employee work in his place.

22.4 Employees who are offered overtime work on days for which they have volunteered are expected to work the overtime. If an employee declines overtime twice in a week on days for which he has volunteered, he will be ineligible to volunteer for overtime for the following week.

22.5 Employees in an overtime group and their supervisors may agree on additional procedures for their overtime group to supplement the overtime distribution principles set forth in Article 22.2. Before supplemental procedures go into effect, they will be reduced to writing and signed by a representative of the Company and a representative of the Union.

22.6 When an employee is bypassed for an overtime opportunity due to Company error, that employee will be offered the next opportunity for overtime when it arises.

22.7 A maintenance employee working on a job which extends beyond his scheduled hours will be retained on that job until it is completed, but he will not be required to work more than two hours beyond the end of his scheduled shift.

22.8 For purposes of this Agreement, an emergency is a situation impairing safety, production, plant operations, or the environment. The overtime distribution procedures will be disregarded in emergencies. This provision will apply to out-of-the-ordinary situations.

ARTICLE 23 REPORTING PAY

23.1 An employee who reports for scheduled work and who finds no work available in the classification in which he was scheduled to work will be paid four hours of pay at the pay rate for that classification. The Company may assign the employee substitute work in another classification. If the pay rate for the substitute work is less than the pay rate for the classification in which he was originally scheduled to work, he will receive the higher pay rate for the classification in which he was scheduled to work. If the employee declines the substitute work, he will receive no reporting pay.

23.2 When an employee reports for scheduled work, begins to perform the scheduled work or substitute work, but is released by the Company before working eight hours, the employee will receive eight hours of pay at the greater of the pay rate for the scheduled work or the substitute work. The Company may assign the employee substitute work during the shift. If the employee declines the substitute work, he will only be paid for the hours actually worked.

23.3 Reporting pay will include the appropriate shift premium, if any.

23.4 The Company will not have to pay reporting pay under Articles 23.1 and 23.2 when the lack of work is due to (i) a labor dispute or (ii) failure of utilities or acts of God that interfere with the operations (this does not include the failure of Company equipment where the failure is unrelated to an act of God).

ARTICLE 24 CALL-IN PAY

An employee who completes his shift and is then called in to work will receive at least four hours' pay at the straight-time pay rate for the classification for which he was called, plus the appropriate shift premium, if any.

ARTICLE 25 PAY FOR INJURY ON THE JOB

An employee who suffers an injury or illness on the job, which in the opinion of the physician to whom he is referred by the Company renders him unable to complete his shift, will be paid at the rate he was being paid at the time of the injury for the balance of the shift on which he was injured. When an employee is required to see a physician for further treatment of the injury on the day or days following the injury, and the appointment cannot be scheduled outside of the employee's regularly scheduled work hours and the appointment has been approved by the medical department, the Company will pay the employee for the time necessarily lost from work.

ARTICLE 26 SHIFT PREMIUM

26.1 A shift premium of \$.30 per hour will be paid to employees who work the afternoon shift. A shift premium of \$.50 per hour will be paid to employees who work the evening shift.

26.2 The shift premium will be included in computing overtime pay.

26.3 When an employee works four or more hours beyond the end of his regular day shift, he will receive the afternoon shift premium for all the hours he works on the afternoon shift.

26.4 When an employee works four or more hours beyond the end of his regular afternoon shift, he will receive the evening shift premium for all the hours he works on the evening shift.

26.5 When an employee works beyond the end of his regular evening shift, he will continue to receive the evening shift premium for all the hours he works on the day shift.

26.6 If a new shift is established that straddles two shifts, the shift premium, if any, for that new shift will be the same as the shift premium for the shift on which the majority of the hours of the new shift fall. If an equal number of hours of the new shift fall on two shifts, then the shift premium for the new shift will be the higher of the shift premiums for those two shifts.

ARTICLE 27
WAGES

27.1 Employees hired on or before August 31, 2003 who work in the following classifications will have the following wage rates:

| Classification | 9/1/03 | 9/1/04 | 9/1/05 | 9/1/06 |
|------------------------------|---------|---------|---------|---------|
| HP Operator | \$20.66 | \$21.28 | \$21.92 | \$22.58 |
| Spin & Heat Treat Technician | \$20.27 | \$20.88 | \$21.50 | \$22.15 |
| Quality Technician | \$18.19 | \$18.74 | \$19.30 | \$19.88 |
| Machine Line Operator | \$17.98 | \$18.52 | \$19.08 | \$19.65 |
| Production Worker | \$17.60 | \$18.13 | \$18.67 | \$19.23 |
| Electrician | \$20.27 | \$20.88 | \$21.50 | \$22.15 |
| Instrument Technician | \$20.27 | \$20.88 | \$21.50 | \$22.15 |
| Machinist | \$20.27 | \$20.88 | \$21.50 | \$22.15 |
| Millwright/Welder | \$20.27 | \$20.88 | \$21.50 | \$22.15 |
| Facilities Technician | \$18.36 | \$18.92 | \$19.48 | \$20.07 |

27.2 Employees hired on or after September 1, 2003 who work in the following classifications will have the following wage rates:

| Classification | 9/1/03 | 9/1/04 | 9/1/05 | 9/1/06 |
|------------------------------|---------|---------|---------|---------|
| HP Operator | \$16.00 | \$16.00 | \$16.00 | \$16.00 |
| Spin & Heat Treat Technician | \$16.00 | \$16.00 | \$16.00 | \$16.00 |
| Quality Technician | \$14.00 | \$14.00 | \$14.00 | \$14.00 |
| Machine Line Operator | \$16.00 | \$16.00 | \$16.00 | \$16.00 |
| Production Worker | \$14.00 | \$14.00 | \$14.00 | \$14.00 |
| Electrician | \$19.68 | \$19.68 | \$19.68 | \$19.68 |
| Instrument Technician | \$19.68 | \$19.68 | \$19.68 | \$19.68 |
| Machinist | \$19.68 | \$19.68 | \$19.68 | \$19.68 |
| Millwright/Welder | \$19.68 | \$19.68 | \$19.68 | \$19.68 |
| Facilities Technician | \$17.83 | \$17.83 | \$17.83 | \$17.83 |

27.3 The Company will provide direct deposit of paychecks for those employees who choose direct deposit and who have accounts at financial institutions that accept direct deposits.

ARTICLE 28
ADDITIONAL PAY FOR EMPLOYEES HIRED ON OR AFTER SEPTEMBER 1, 2003

28.1 Employees hired on or after September 1, 2003 will receive a payment in the amount of 3.0% of their straight-time and overtime time pay for hours worked during the period

of September 1, 2003 through August 31, 2004. This payment will be paid during September 2004. To be eligible for this payment, an employee must have completed his probation period by August 31, 2004, and he must be an employee on the date the payment is paid.

28.2 Employees hired on or after September 1, 2003 will receive a payment in the amount of 3.0% of their straight-time and overtime time pay for hours worked during the period of September 1, 2004 through August 31, 2005. This payment will be paid during September 2005. To be eligible for this payment, an employee must have completed his probation period by August 31, 2005, and he must be an employee on the date the payment is paid.

28.3 Employees hired on or after September 1, 2003 will receive a payment in the amount of 3.0% of their straight-time and overtime time pay for hours worked during the period of September 1, 2005 through August 31, 2006. This payment will be paid during September 2006. To be eligible for this payment, an employee must have completed his probation period by August 31, 2006 and he must be an employee on the date the payment is paid.

28.4 Employees hired on or after September 1, 2003 will receive a payment in the amount of 3.0% of their straight-time and overtime time pay for hours worked during the period of September 1, 2006 through August 31, 2007. This payment will be paid during September 2007. To be eligible for this payment, an employee must have completed his probation period by August 31, 2007, and he must be an employee on the date the payment is paid.

ARTICLE 29

NEW, COMBINED, OR MATERIALLY AND SUBSTANTIALLY MODIFIED CLASSIFICATIONS

29.1 During the course of their employment, employees will learn and develop new and additional skills so that they can perform their jobs in a safe, efficient, and productive manner. In addition, as time passes the duties, functions, and tasks of a job will change as machinery, equipment, processes, and customer requirements change. Acquisition of new and additional skills and the change in duties, functions, and tasks as a result of changes in machinery, equipment, processes, and customer requirements is simply a normal part of maintaining a modern and competitive manufacturing plant and does not affect wage rates.

29.2 When the Company establishes a new classification or materially and substantially modifies the duties and responsibilities of a classification, the Company will provide the Union President and appropriate Committeemen with ten days' prior written notice of the new or materially and substantially modified classification and the pay rate for that classification. The pay rate will be discussed with the Union representatives. If the Union does not agree with the pay rate following discussion with the Company, the Union may file a grievance alleging that the pay rate does not have a fair relationship to the pay rates for other classifications. The grievance must be filed within 90 calendar days of the date the pay rate goes into effect. If the grievance is arbitrated and the arbitrator concludes that the pay rate does not have a fair relationship to the pay rates for other classifications, the Company and the Union will each submit a proposed pay rate to the arbitrator. The arbitrator then must select either the pay rate proposed by the Company or the one proposed by the Union.

29.3 When classifications are combined, the pay rate for the combined classification will, at the least, be the same as the highest pay rate of the classifications being combined.

ARTICLE 30 HOLIDAYS

30.1 The following holidays will be observed:

| | |
|----------------|------------------------|
| New Year's Day | Thanksgiving Day |
| Good Friday | Day After Thanksgiving |
| Memorial Day | Christmas Eve |
| July 4 | Christmas |
| Labor Day | One Floating Holiday |

When the Company posts the holiday schedule for the next calendar year, that schedule will indicate the date on which the Floating Holiday will be observed.

30.2 Pay for an unworked holiday will be eight hours of pay at an employee's regular, straight-time rate. When an employee works on a holiday, he will receive the eight hours of pay for an unworked holiday, and he will receive time and one-half for the first eight hours he works and he will receive double time and one-half for the hours he works in excess of eight. If a holiday falls during an employee's vacation, he will receive eight hours of holiday pay in addition to his vacation pay.

30.3 When a holiday falls on Sunday, the following Monday will be observed as the holiday. When Christmas Eve falls on Sunday, the following Tuesday will be observed as the holiday.

30.4 To be eligible for a paid holiday, an employee must have completed his probation period. In addition, an employee must have worked his last scheduled day before and his first scheduled day after the holiday, and on the holiday if he was scheduled to work the holiday, unless his absence was due to one of the following reasons: (i) paid jury duty or witness duty; (ii) paid bereavement leave; (iii) Union-paid Union business leave; (iv) industrial injury or illness; (v) personal injury or illness, where the employee provides written verification from his licensed health care provider indicating that he was unable to work due to the injury or illness, and the employee worked in the week in which the holiday falls, or in the preceding week.

ARTICLE 31 VACATIONS

31.1 Eligible, regular employees will receive vacation as follows:

| <u>Complete Years of Service by January 1</u> | <u>Weeks of Vacation</u> |
|---|--------------------------|
| 1 or 2 | 1 week |
| 3 through 9 | 2 weeks |
| 10 through 16 | 3 weeks |
| 17 through 24 | 4 weeks |
| 25 or more | 5 weeks |

31.2 In years when employees complete their third, tenth, seventeenth, or twenty-fifth years of service, they will be eligible for an additional week of vacation in that year after their anniversary date. Employees whose anniversary date is on or after November 1 in a year will receive either a week of vacation or a week's vacation pay.

31.3 Vacations are earned in a calendar year and then taken in the following calendar year.

31.4 To be eligible for a vacation, an employee must have at least 1,000 credited hours in the prior calendar year. Credited hours consist of all hours worked and time off work due to (i) compensable industrial injury, (ii) paid jury duty or witness duty, (iii) paid bereavement leave, (iv) paid vacation, and (v) service in the armed forces. Employees who are off work for the reasons stated in clauses (i) through (v) in the preceding sentence will be credited with eight hours for each day of work missed or 40 hours for each week of work missed.

31.5 When an employee is hired, he will earn one day of vacation for each two complete calendar months he works during the year in which he is hired. An employee may only earn full vacation days. He may take this vacation during his first full calendar year of employment, but not until after he has completed his probation period.

31.6 An employee who misses work due to layoff, injury or illness, or leave of absence and who has accrued but unused vacation time will, upon request, be allowed to take weekly increments of vacation during his absence.

31.7 Employees who are eligible for two or more weeks of vacation may, with Company approval, receive pay in lieu of vacation time for all but one week of their vacation.

31.8 Employees must submit their requested vacation dates by March 15. During the period of March 15 through 31, the Company will prepare a vacation schedule and will resolve conflicts in requested vacation dates based on seniority among employees in each classification. Vacation requests submitted after March 31 will be granted on a first-come, first-served basis for available periods. If an employee has not scheduled his vacation by September 30, the Company will schedule it for him. Vacation cannot be carried over from year to year. All vacation dates are subject to the approval of the Company.

31.9 Employees with two or three weeks of vacation eligibility may take one week of vacation in daily increments. Employees with four or five weeks of vacation eligibility may take two weeks of vacation in daily increments. By March 15 employees must notify the Company as to how many weeks of vacation, if any, they intend to take in daily increments. Any daily vacations to be taken during the last two months of the year must be scheduled before November 1. Employees must submit their requests to take a day of vacation 72 hours in advance of the day they desire to take. When it is impossible for an employee to submit his request 72 hours in advance due to an emergency, the employee's supervisor may grant a request to take a day of vacation if the request is made at least one hour in advance and if there is an employee available to cover the absence.

31.10 By January 15 the Company will announce the vacation shutdowns, if any, to occur during the year. Vacation shutdowns may be scheduled to take place during June, July, and August. Unless the Company and the Union agree to a longer period, vacation shutdowns will normally be limited to two weeks during a year. Some employees, as necessary, may be scheduled to work during a vacation shutdown. Employees who are scheduled to work during a

vacation shutdown may, in addition to their normal duties, be required to perform ancillary duties as necessary.

31.11 A week of vacation normally consists of the Monday-through-Sunday period.

31.12 Vacation pay for a week of vacation is 42 hours of pay at the employee's regular, straight-time rate, and vacation pay for a day of vacation is 8.4 hours of pay at the employee's regular, straight-time rate. Upon request, employees will receive vacation pay for a week's vacation before the vacation starts.

31.13 Employees will not receive vacation pay for the time they work in the year in which they retire.

ARTICLE 32 BENEFITS

During this Agreement, the Company will provide eligible employees with the following benefits:

1. Medical benefits
2. Dental benefits
3. Employee Assistance Program
4. Sickness and Accident Insurance
5. Life Insurance
6. Supplemental Unemployment Benefits
7. Pension benefits
8. Savings Plan
9. Retiree Medical and Life Insurance benefits

The specific terms of these benefits are set forth in the benefit plans and the insurance contract. The benefit plans and the insurance contract are the controlling documents. Disputes concerning benefit claims will be resolved by the claim procedures of the respective benefit plans or the insurance contract.

ARTICLE 33 UNIFORM SERVICES

The Company will contribute \$10.00 per month toward the cost of the Company-approved uniform service for each regular employee who chooses to use the uniform service.

ARTICLE 34 LEAVES OF ABSENCE

34.1 Upon written application, and for good cause, the Company may grant an employee a personal leave of absence for up to 30 calendar days. The employee will provide the Union with a copy of his application. Upon written application, and for good cause, the Company may agree to extensions of the leave of absence of up to 30 calendar days for each extension. A personal leave of absence may not exceed one year in total length. The Company will continue medical and dental benefits and life insurance for a maximum of 30 calendar days for an employee on a personal leave of absence.

34.2 Employees on a personal leave of absence may not accept other work without the prior written approval of the Company and the Union.

34.3 An employee may terminate his leave of absence by giving the Company written notice at least seven calendar days before the day the employee desires to resume working.

34.4 An employee elected or appointed to a position with the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, or elected or appointed to a government position, or who enters the Peace Corps or Vista, will, upon written application, be granted a leave of absence for the term of the position and up to 60 calendar days after the end of the term. An employee on such a leave will continue to accrue seniority.

34.5 Employees who enter the U.S. armed forces will be granted leave in accordance with the military leave laws.

ARTICLE 35 SAFETY

35.1 The Company will maintain safe, healthful, and sanitary conditions in accordance with applicable safety and health laws. Employees will cooperate fully in maintaining such conditions. The Company, the Union, and employees will all work to identify and eliminate safety, health, and environmental hazards.

35.2 The Company will provide protective devices and apparel and other equipment necessary to protect employees from injury. Employees will properly use the safety equipment and apparel furnished by the Company, and they will comply with safety rules and guidelines.

35.3 The Union may appoint up to five employees to participate on the Safety Committee for the purpose of assisting and working with the Company in matters of safety and health. The Company will meet at least monthly with the Safety Committee to discuss safety matters. Suggestions and recommendations of the Safety Committee will be given sincere consideration.

35.4 When a safety problem arises that an employee and his supervisor are unable to resolve, a Union member of the Safety Committee and the EHS Manager or his designee will discuss and attempt to resolve the problem. If they are unable to resolve it, a grievance concerning the problem may be submitted at Step 3 of the grievance procedure.

35.5 The Company will pay the members of the First Responder program for the time they spend in training and obtaining their recertification. The Company will post a current list of the names and shifts of the certified First Responders.

35.6 On approximately the anniversary date of this Agreement each year the Company will provide each active employee with a voucher in the amount of \$100.00 solely for the purchase of steel-toed safety shoes.

35.7 The Company will provide employees who require them an initial pair of prescription glasses. If an employee's prescription safety glasses are damaged or destroyed while the employee is working and through no fault of the employee, the Company will repair or replace them. In addition, at intervals of no less than 18 months, employees may acquire from Company-approved vendors only Company-approved replacement prescription safety glasses, and the Company will pay for them.

35.8 The Company will establish a procedure for furnishing appropriate gloves at no cost to employees.

ARTICLE 36 BULLETIN BOARDS

36.1 The Company will provide four locking bulletin boards for use by the Union. The Union may post on the bulletin boards items pertaining to the following subjects only:

- (a) Union recreation and social affairs
- (b) Union elections
- (c) Union appointments
- (d) Union meetings
- (e) *Bona fide* Union activities such as unemployment compensation information
- (f) Credit union activities.

36.2 Before any item is posted on the Union bulletin boards, the Union will give a copy of the item to the Human Resources Department. Each item must be signed by an authorized Union representative before it is posted.

36.3 The Company will provide one bulletin board where employees may post items. The items must be signed by the posting employee and a copy must be given to the Human Resources Department for review before it is posted. Items which are abusive, harassing, unlawful, or defamatory may not be posted. In addition, items which are related to internal Plant political matters or external political matters or which otherwise jeopardize safety, productivity, or efficiency may not be posted. This bulletin board is the only area where employees may post items.

36.4 Any posted item that does not comply with this Article will be removed.

ARTICLE 37 SMOKING

Smoking is permitted only in those areas specifically designated as smoking areas.

ARTICLE 38 SALARIED EMPLOYEES WORKING

38.1 Salaried employees shall not perform operations normally assigned to employees, except as follows:

- (a) Instruction or training employees
- (b) Performance of necessary work when production difficulties are encountered
- (c) Performance of experimental operations, pilot production, and research and development
- (d) Testing new equipment, machinery, or processes

- (e) Emergencies, when employees are not available
- (f) Work which is incidental to the salaried employees' duties.

The performance of this work will not result in the displacement of an employee.

38.2 If a salaried employee performs work in violation of this Article and the Union committee can identify an employee who lost pay as a result, the employee will receive the greater of two hours of straight-time pay or his lost wages.

ARTICLE 39 CONTRACTING OUT

39.1 While the Company intends that its production and maintenance employees will generally be the individuals who regularly perform routine production and maintenance work, at times the Company may determine that it is advisable to contract out work. In deciding to contract out work, it is certainly not the Company's intent to contract out work simply for the purpose of depleting bargaining unit work.

39.2 Before contracting out work normally and usually performed by bargaining unit employees, the Company will provide the Union with written notice of the work that may be contracted out. The Union then will have five calendar days to review the information and, if it so desires, request a meeting with the Company to discuss the potential contracting out. If a meeting is requested, the parties will meet promptly and discuss the facts surrounding the contemplated contracting out. The Company will carefully consider all comments and suggestions of the Union about the contracting out matter in question.

39.3 In emergency situations requiring expedient action, the procedures of Article 39.2 need not be followed.

39.4 The Company may contract out janitorial work.

ARTICLE 40 INVENTORY

40.1 Except where specific knowledge, talent, or ability is needed, the senior employees in an affected department who are not scheduled to work their regular shift at the time an inventory is taken will generally be selected to perform the inventory work. Employees will receive their regular pay rate for performing inventory work.

40.2 If operations are suspended to perform an inventory, that suspension will not be considered a layoff.

40.3 Preparation of tally sheets and records and other specialized work during an inventory may be performed by salaried employees.

ARTICLE 41 OTHER AGREEMENTS AND MEMORANDA OF UNDERSTANDING

During this Agreement, the Company and the Union may decide to enter into other agreements or memoranda of understanding addressing terms or conditions of employment not covered by this Agreement. The following provisions will apply to such agreements or memoranda of understanding:

- (a) Any agreement or memorandum of understanding that is reached by the Company and the Union will be written and will be signed by authorized representatives of the Company and the Union
- (b) A memorandum of understanding is cancelable by either party upon 24 hours' advance written notice to the other party
- (c) An agreement will run for the term of this Agreement only, unless the parties agree to modify or terminate the agreement prior to the expiration of this Agreement
- (d) An agreement or memorandum of understanding that conflicts with the provisions of this Agreement will be of no effect, unless the agreement or memorandum of understanding expressly amends this Agreement
- (e) An agreement or memorandum of understanding that does not comply with this Article will be of no effect, except that in an emergency the parties may enter into an oral agreement; that oral agreement will not last beyond the emergency unless the parties put it in the form of an agreement or memorandum of understanding that complies with this Article
- (f) When the parties enter into an agreement that amends the provisions of this Agreement, that agreement must be written and must be signed by an authorized representative of the Company and by a majority of the members of the Union committee, and the Local Union President must be one of the Union committee members who signs the Agreement.

ARTICLE 42 STRIKES AND LOCKOUTS

42.1 During this Agreement and any extension thereof, the Union will not authorize or knowingly permit employees to cause or take part in any strikes, work stoppages, slowdowns, or interruptions or cessations of work, and the Company will not lock out employees.

42.2 Any employees who engage in the actions prohibited by Article 42.1 are subject to discipline and discharge.

ARTICLE 43 JURY AND WITNESS PAY

An employee who is called for jury service or subpoenaed to be a witness in a court of law will be excused from work for the days on which he serves. For each day of jury or witness service on which he otherwise would have worked, he will receive eight hours of pay at his regular, straight-time rate. To be eligible to receive this pay, an employee must (i) inform his supervisor that he has been summoned for jury duty as soon as he learns of the dates on which he is to serve and (ii) provide proof of service.

ARTICLE 44 BEREAVEMENT PAY

44.1 When an employee's parent, spouse, or child dies, the employee may take up to four days of paid leave on days on which he otherwise would have worked. When an employee's parent-in-law, brother, sister, grandparents, grandchildren, brother-in-law,

sister-in-law, son-in-law, daughter-in-law, stepparent or stepchild dies, the employee may take up to three days of paid leave on days on which he otherwise would have worked.

44.2 The days of paid leave must be taken within six calendar days of the death, funeral service, or other service. The employee must submit proof of his relationship to the deceased in the form of one of the following: (i) a newspaper obituary, provided the employee's name and relationship to the deceased are clearly stated; (ii) a signed statement from the funeral director; or (iii) a notarized statement from a judge or magistrate.

44.3 An employee will receive eight hours of pay at his regular, straight-time rate for each day of paid bereavement leave. An employee will not receive bereavement pay when he receives any other type of pay for unworked time for the same days.

ARTICLE 45 BLOOD DONATION

When a health care provider makes an emergency request of an employee to donate blood, and the employee is unable to satisfy the request outside of regularly scheduled work, the employee will be paid for the time he misses from regularly scheduled work to donate blood, up to a maximum of two hours. The employee must notify his supervisor as soon as he receives the emergency request.

ARTICLE 46 MEDICAL RECORD CONFIDENTIALITY

Employee medical records will be treated as confidential records in accordance with the provisions of the Americans with Disabilities Act.

ARTICLE 47 TERMINATION

47.1 This Agreement shall terminate 60 days after either party shall give written notice of termination to the other party, but in any event it shall not terminate earlier than August 31, 2007. If either party gives such notice, it may include therein notice of its desire to negotiate with respect to insurance, pensions, and supplemental unemployment benefits (existing provisions or agreement as to insurance, pensions, and Supplemental Unemployment Benefits to the contrary notwithstanding). The parties shall meet within 30 days after notice is given to negotiate with respect to such matters.

47.2 Notwithstanding any other provisions of this Agreement, or the termination of any or all other portions hereof, Group Insurance benefits and Supplemental Unemployment Benefits shall remain in effect until expiration of 60 days after written notice of termination served by either party on the other party on or after January 30, 2008.

47.3 The Pension Agreement will remain in effect until midnight of January 30, 2008.

Dated this 9th day of September 2003.

Doug Ferguson
For the Union

Will R. [Signature]
For the Company

Patrick Tomczak
Gary A. Montroy
Michael L. Sherbin
Raymond Spozuk II